



CCE-R Newsletter

(No.06 / June 2005)

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Editorial of the month

Western Romania/ Region of Banat

Under Waters - a National Catastrophe

Heavy rain and a great amount of melting snow-masses from the Western Carpathians led during the last April-weeks to an important flood in the area delimited by the river Timis and the channel Bega, a region situated in-between the city of Timisoara/ Romania and the Serbian border. Large rural communities, namely Foeni, Uivar, Gataia plus numerous little villages, as well as an agricultural field of 90000 hectares were concerned.

The actual situation happened nevertheless in a location having already a history of morass, which lasted until two centuries ago; the change had then been performed under the rule of Maria Theresa by engineers brought from the Netherlands, who built an exemplary water-evacuation system also provided with early-alarm facilities; this act turned then the marsh into a bumper crop soil. The corresponding rural settings appeared and they consisted of typical Banat houses made of clay-bricks, with yards and gardens surrounding them.



More than thousand of these fell during the first flood days; more than two thousands inhabitants are homeless, living at relatives or in tents.

The cause of the disaster showed up to be a brake of the dam on the Timis, which was supposed to get repaired two weeks before the event; the adjustment failed because of multiple lacks: technology, materials, and specialists. It turned even worse as the sewerage, such as water-locks, pumps and auxiliary channels were out of function following to the poor service during the last years.

The officials developed an astonishing incapacity of reaction in terms of crisis-management. There were just the non-governmental organizations, such as the Caritas and others, to bring up efficient help, right in time, in order to diminish further damage.

Swiss aid also arrived by means of DEZA (Swiss Agency for Development and Cooperation), respectively its department for humanitarian aid, in a direct and prompt intervention manner. An amount of CHF 900,000- has been sent over through the church organization HEKS; in order to assess the need and evaluate the steps to be made in the urgent matter of providing drinking water to the exposed population, Dr. W. Finger, an experienced geologist, was sent on field. The main goal was to ensure the clearing of all water sources, community fountains and private drillings.

The necessary intervention has already been started with the logistic help of Swiss enterprises which are active in the region.



As for the future it only seems reasonable to act preventive and not only reactive. In this respect DEZA prepares a pre-feasibility study together with Swiss specialists in order to rebuilt dams but also to foster the rivers Timis, Bega and Barzava and by doing so to prevent further damage. The same attitude is strongly asked from the local instances in order to do whatever

needed to get the intelligent water protection system built in the 18-th century back to proper function and provide it with service as required.

The Romanian civil society has to develop, as it is obvious that such catastrophes should only be met by a functioning civil intervention team-work, as shown by the Swiss model.

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Peter Bayard
Helvetica Profarm SA

The CCE-R Board informs

CCE-R Board Meeting – June 23rd, 2005

The Board meeting in June 2005 took place on the 23rd, at the CCE-R head-office. The meeting was chaired by Paul Nuber, CCE-R President.

The Board decided that the Chamber should participate at TIB 2005 with a stand of 24 sqm. A coffee corner will be designed to attract as many visitors as possible. The members will be asked to contribute to this action.

In the visibility field, the Board decided that

- the CCE-R site will be hosted by GTS based on a barter agreement; this contact was facilitated by *Nestlé Romania*;
- the CCE-R brochure will be designed by *Ringier Romania*. The printing company will be chosen in a contest of offers;
- the “Golden Pages 2006” catalogue will include the coordinates of our Chamber.

✚ **The next CCE-R Board Meeting will take place on June 22nd, 2005, 17:30, at *Ringier Romania*.**

CCE-R Business Club – May 11, 2005



The Chamber's Business Club in June was organized as a business trip to [DACIA Pitesti](#), on June 14.

Thanks to François Fourmont, the President of the Group, our members visited the plant and received valuable information on how the cars are built.

After a presentation of the company made by Jean-Christophe Nougaret, Communication Deputy Director, our Chamber's delegation visited four different sections of the plant and followed the production cycle based on the explanations provided by Dacia's staff.



The plant is unique in its way because almost everything is done manually. A huge team is very well trained to act with mathematic precision in order to obtain the requested quality of the products.



We would also like to thank for this visit to the Communication Department of DACIA, especially to Jean-Christophe NOUGARET, Communication Deputy Director, Marius Manea, Communication Manager and Tatiana Tipa, Events/ Support Responsible.

✚ **The next CCE-R Business Club will take place on July 20, 2005, 17:30, at *Ringier Romania*.**

This month's member / News and Company Profile

This column gives our members the possibility to present themselves to the other companies and to highlight important aspects of their activity. Our initiative goes together with the invitation for subscribing to this facility: **if you want to present your company to the other members in one of the next issues of the Newsletter, please contact us at ccer@ccer.ro.**

Omnis Group

You may read the presentation of our member active in the IT field in the file attached to the Newsletter.

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Legal&Financial issues

All CCE-R members acting in the legal and financial fields are invited to contribute to this column.

Legal Focus by *“Zsolt Karl Radnocy - NÖRR STIEFENHOFER LUTZ”*

Denomination rules

The Emergency Government Ordinance no. 47/2005 (hereinafter referred to as “the Ordinance”) on measures for the enforcement of Law no. 348/2004 regarding the denomination of the national currency (published in the Official Gazette no 492 from 10th of June 2005) contains measures related to the rounding of various types of salary rights and withholdings.

Starting with 1 July 2005, as a result of the denomination of the national currency, the following types of incomes will be converted into the new currency (RON) by dividing the existing amounts to 10,000:

- revenues from salaries and similar rights;
- pensions and other social security rights regardless of their financing source;
- indemnities and other rights regulated by special laws;
- unemployment indemnities and other similar rights.

Resulting fractions will be rounded upwards for fractions over 0.50 RON and will not be taken into consideration for fractions under 0.49 RON.

Pursuant to the Ordinance some types of incomes will be excepted from these rules and consequently will be rounded only upwards, in favor of the beneficiary of the right:

- gross salaries;

- salary rights of policemen, public dignitaries, magistrates and other special personnel categories regulated by law;
- pensions, regardless of their financing source;
- unemployment indemnities.

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Tax Column by Serge R. Gonvers, Senior Partner, "Audiconsult" Srl

The purpose of this "tax column" is not only to highlight major recent changes in the field of taxation but, as well, to give some updated trends and opinions prevailing in the business community.

Summer is coming and no tax news is in view.

The subject of the day is called "change of denomination" from ROL to RON, which is keeping our bankers busy... and closed for business for at least two full days.

Hopefully, everybody has withdrawn enough cash to survive over the next couple of days, waiting for our new currency, starting next Monday, July 4.

For the sake of good order, we remind you that all payments, invoices and other monetary and accounting transactions made and/ or dated June 30 and before must be made in ROL only.

The official balance sheet as at June 30, 2005 (to be filed with authorities by the end of July) must be drafted in ROL exclusively.

Then, from July 1st, all payments, invoices, and other monetary and accounting transactions must be expressed in RON only, although the old ROL banknotes will still be in circulation till December 31, 2006 (Only 25% of the necessary new RON banknotes have been printed until now).

The other issues of the day, only subjects to discussion without any official commitments yet, are the decrease of the social charges (as from next year, and decreasing by 5% gradually until 2008) announced by the President and the increase of VAT from 19% to 22% as of January 1st, 2006, announced by the Minister of Finance, mainly under pressure from IMF and other international financial institutions.

This last measure would be highly unpopular and shall affect the lower classes of the population, while only middle and higher classes were the beneficiaries of the flat tax. The VAT increase is meant to reduce both state budget and external balance deficits, created by too high consumption, imports and lending.

The bad planning and preparation of the current government when introducing, in a rush, the flat tax system is now bearing its consequences... and is probably going to have a political cost for the current power at one point of stage. Romania today has the lowest tax rate in Eastern Europe, but the highest social charges rate.

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Business News

Heidi to invest 500,000 Euros in chocolate stores

Heidi Romania, one of the main players on the chocolate market, has achieved a 24% growth in sales for the first four months of the year compared with the same period last year.

The company expects its full-year turnover to exceed 7.8 million euros, an increase of 20% on 2004. "This is a level we set out to achieve based on our investment in some new projects, as well as advertising. Our purpose is to consolidate our position on the market, on the premium segment," said Emilian Cristescu, *Heidi's* brand manager.

He estimates a 7% market share for Heidi products. "Our highest growth last year was on the praline segment, which saw 50% higher sales." The company is due to open its first chocolate shop in Bucharest under the *Laderach Chocolatier Suisse* brand. The shop will be located in Plaza Romania. "The concept and products belong to *Laderach*, *Heidi's* parent company," he says.

He went on to say that *Heidi Romania* plans to open another shop in Bucharest by the end of the year. "The business plan for next year involves the opening of 10 more chocolate shops in Bucharest and in the cities around the country that have economic potential."

The investment is estimated at 50,000 euros and the locations being looked at are those with heavy traffic and the potential for profit. "We will start by selling 45 products - 30 praline and truffles types and 15 maxi fresh chocolate tablets - and will expand the range once we have ascertained the preferences of Romanian consumers," Cristescu added.

The chocolate shop concept is very developed in Switzerland, where *Heidi* has some 42 such locations. The chocolate shop chain in Switzerland sells more than 300 products, including jelly products and pastries.

"The second half of the year is the most suitable for launches, so we are keeping our surprise for that period," he explained. He says that 2005 is the first year when *Heidi* will have a special summer edition, its peach-flavoured tablet. He did not say how much the company was going to invest this year, but said they would focus on expanding production and storage capacity.

(by Ziarul Financiar, 14.06.2005)

Franke Romania cooks up EUR 7m in sales

Kitchen equipment manufacturer *Franke Romania* reported sales of EUR 7 million last year, said general manager Valeriu Cobaschi, as the firm celebrated seven years on the Romanian market.

Cobaschi said the success of *Franke Romania*, part of the Swiss *Franke* Group's Kitchen Systems division, was a result of the application of the *Franke* pyramid system. *Franke* Kitchen Systems and *Franke* Foodservice Systems export to more than 100 countries worldwide.

(by Business Review, 21.06.2005)

Raiffeisen works with electronic signatures

Raiffeisen Bank has been authorized by BNR to use the electronic signature, a first on the Romanian banking market, *Raiffeisen* officials recently announced.

The bank received approval to use an equivalent technique which guarantees the signature's authenticity, based on Public Key Infrastructure, using its certification authority.

"The order will create an example for banks and will lead to new opportunities for the Romanian banking system," said Steven van Groningen, president of *Raiffeisen Bank*.


The bank will be able to use the electronic signature for both external and domestic transactions and will simplify its activity, cutting out paper files and stamps.

(by Business Review, 24.06.2005)

The CCE-R Events Calendar

Events to be organized by the Chamber of Commerce Switzerland – Romania in Summer 2005

Month	Day	Action	Place
July 2005	July 20 17:30	Board Meeting	RINGIER ROMANIA
	July 20 19:00	Business Club	RINGIER ROMANIA
August 2005	August 30 19:00	Business Club: Joint meeting with the Swiss Association at HEIDI CHOCOLATS SUISSE - picnic	HEIDI CHOCOLATS SUISSE's head-office Bucharest

 Board Meetings are only for the Board Members.

This is a monthly Newsletter, released at the end of each month. Should you have any suggestions concerning it or should you want to contribute to its realization, please send us your proposals at:

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Become a CCE-R Member

If you want to help our Association grow, one of the best ways is to make it known and accessible. Invite interested companies to become members of CCE-R. They may fill in this form and return it to the head-office of the CCE-R.

MEMBERSHIP APPLICATION FORM

You are kindly requested to fill in the application form in block letters

COMPANY DATA		
Full Name		
Scope of Activity		
Registered Address		
Mailing Address (if different from above)		
Phones	#1	#2
Fax	#1	#2
E-mail	Website	
Reg. Com. No.	Fiscal Code	
Bank		
Account No.		
REPRESENTATIVE OF THE COMPANY		
Full Name	<input type="checkbox"/> Mr.	<input type="checkbox"/> Mrs.
Position		
Direct Phone	Direct Fax	
Mobile Phone (optional)	E-mail	
ADDITIONAL INFORMATION (optional)		
Links with Switzerland		
Specific interests within the CCER		
Any other relevant information		

Signature and stamp

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